Government of Saskatchewan

Annual Report 1988-89

Saskatchewan Farm Ownership Board

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Letters of Transmittal

June 6, 1989

Her Honour
The Honourable Sylvia O. Fedoruk, O.C., S.O.M.
Lieutenant Governor of
the Province of Saskatchewan

May It Please Your Honour:

I have the pleasure to submit to your Honour the Annual Report of the Saskatchewan Farm Ownership Board for the year ending March 31, 1989.

Respectfully submitted,

The Honourable Bob Andrew
Minister of Justice and
Attorney General

June 6, 1989

The Honourable Bob Andrew
Minister of Justice
and Attorney General
Province of Saskatchewan
Regina, Saskatchewan

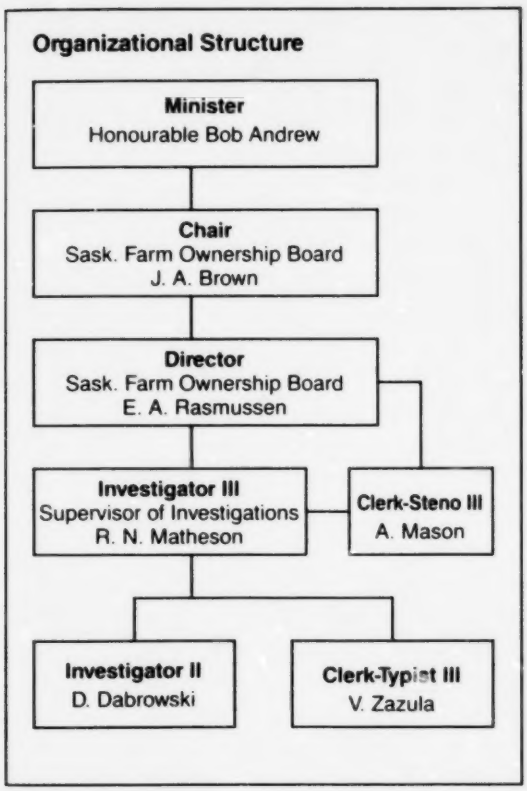
Dear Mr. Andrew:

I have the honour to submit for your consideration the Annual Report of the Saskatchewan Farm Ownership Board for the year ending March 31, 1989.

Respectfully submitted,

Professor J. A. Brown
Chair

I. Organization



A. Board

In this fiscal year William Warner resigned as a member of the Board. Re-appointed were Professor Jake Brown, Chair, Darwin Lackey, Vice-Chair, Arden Body, Elmer Lyke and Irene Smyth. New members appointed were Chester Minhinnick and Grant Payant. The appointments are at the pleasure of the Lieutenant Governor in Council for a two year term.

B. Administration

In this fiscal year the Saskatchewan Farm Ownership Act was repealed. The Saskatchewan Farm Security Act was proclaimed in force effective September 1, 1988 resulting in the following changes to the farm ownership legislation.

- an individual who resides in Canada for at least 183 days in any year may have or acquire an aggregate land holding in Saskatchewan not exceeding 320 acres or two quarter sections, whichever is greater.
- a non-agricultural corporation with a majority of its issued voting shares held by Saskatchewan residents or agricultural corporations may have or acquire an aggregate land holding not exceeding 320 acres.
- a designated non-resident relative receiving land from an individual who has been a resident of Saskatchewan for any five years may hold the interest for a lifetime.
- a non-resident who was a resident of Saskatchewan for any five years and acquired a land holding while a resident, may hold the interest for a lifetime.

In the 1988/89 fiscal year, staff were required to process, investigate and document 565 transfers of land to non-resident individuals and 809 transfers to corporate interests. Staff were also required to investigate and process 421 applications for exemption and 69 applications for extension in time to comply with the legislation. In addition, staff responded to personal or written enquiries and monitored the activities of 694 open files carried over from the previous fiscal year.

C. Objectives

The Saskatchewan Farm Security Act, 1988, is one of the programs instituted to help improve and stabilize the economic and social environment in the province. Its primary objective is to ensure that residents or Saskatchewan corporations engaged in farming will own the majority of Saskatchewan agricultural lands.

The responsibility of the Board in administering the Act includes making or advising on policy decisions, hearing applications for exemption and extension, recommending amendments to the Act and Regulations, issuing Orders for Divestment, and recommending prosecutions for violations of the Act's provisions.

II. Activities

A. Monitoring and Investigation

The Board monitored all changes of interest in rural land which were processed through the eight land title offices in the province. 11,694 transfers involving 3,335,504 acres were monitored. This resulted in 748 non-resident investigations and 362 corporate investigations by Board staff.

In this fiscal year, non-residents acquired title to 125,692 acres. The interests acquired resulted primarily from the special exemption provisions afforded non-resident relatives of present or past residents of Saskatchewan. Eighteen non-eligible individuals purchased 70 acres under the 10-acre provision in this fiscal year.

Table I

Comparative Statistics
— Non-Resident Transfers

	Transfers	Acres	Files
1986-87	545	137,654	729*
1987-88	620	158,129	816*
1988-89	565	125,692	748*

* *One transfer may result in several individuals acquiring an interest.*

In this fiscal year, corporations acquired an interest in 360,903 acres. A majority of the land was acquired by corporations engaged in the business of farming. Thirty-six non-agricultural corporations purchased 165 acres under the 10-acre provision in this fiscal year.

Table II

Comparative Statistics
— Corporate Transfers

	Transfers	Acres	Files
1986-87	552	213,816	281*
1987-88	653	336,137	311*
1988-89	809	360,903	362*

* *Several transfers may involve one corporation.*

B. Applications for Exemption

The Board has the authority to consider applications for exemption which, if granted, allow non-eligible individuals and corporations to have or acquire a land holding in excess of that allowed under the legislation.

In this fiscal year, the Board considered 283 requests received from non-resident individuals involving 86,567 acres. Two hundred and sixty-eight applications totalling 84,572 acres were granted. Fifteen requests totalling 1,995 acres were denied.

Table III

Comparative Statistics
— Non-Resident Applications for Exemption

	Granted	Acres	Denied	Acres
1986-87	162	78,537	10	1,280
1987-88	188	56,014	6	825
1988-89	268	84,572	15	1,995

In this fiscal year, the Board considered 138 requests for exemption received from non-agricultural corporations involving 134,776 acres. All applications were granted.

Table IV

Comparative Statistics
— Corporate Applications for Exemption

	Granted	Acres	Denied	Acres
1986-87	153	178,203	5	455
1987-88	180	114,908	1	—
1988-89	138	134,776	0	—

C. Applications for Extension

The Board has the authority to extend the two-year time period allowed creditors acquiring an interest in land by the realization, quit claim, settlement or otherwise of a security.

In this fiscal year, the Board considered 69 requests received from financial institutions involving 60,169 acres. All requests were granted.

Table V

Comparative Statistics — Applications for Extension

	Granted	Acres	Denied	Acres
1986-87	27	18,640	0	—
1987-88	58	37,487	0	—
1988-89	69	60,169	0	—

D. Board Meetings

In addition to considering applications for exemption and extension, at 12 meetings held during this fiscal year, the Board classified 16 individuals as "residents" and 17 corporations as "agricultural corporations" for purposes of the Saskatchewan Farm Security Act.

The Board also held that 5 non-resident individuals and corporations had acquired an interest in land in violation of the Act's provisions. One Order to Reduce Land Holding was issued during this fiscal year. Compliance with the Act has been met in all cases.